GOVERNMENT OF INDIA
MICRO, SMALL AND MEDIUM ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:416
ANSWERED ON:21.10.2008
PROMOTION OF AGRO BASED INDUSTRIES
Fanthome Shri Francis

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) whether the Government, through the Khadi and Village Industries Commission (KVIC) is implementing the Rural Employment Generation Programme (REGP) throughout the country to promote the agro based industries including vegetable and herbal products based agro industries;

(b) if so, the details thereof;

(c) the details of the funds allocated,released and utilised to promote such industries during each of the last three years and the current year, State-wise;and

(d) the details of the employment generated through REGP during the said period?

Answer

MINISTER FOR MICRO, SMALL AND MEDIUM ENTERPRISES(SHRI MAHABIR PRASAD)

(a) & (b): The Government (in the Ministry of Micro, Small and Medium Enterprises),through Khadi and Village Industries Commission (KVIC),had been implementing a Central Sector credit-linked subsidy programme,called the Rural Employment Generation Programme (REGP) from 01.04.1995 to 31.03.2008,in the rural areas and small towns with population up to 20000. Under REGP,eligible entrepreneurs were assisted in establishing village industries,including agro and food processing industry units which also comprised vegetable and herbal products based industries,by availing of loans from public sector scheduled commercial banks,selected regional rural banks, cooperative banks,etc.,and margin money assistance (subsidy) from the KVIC,for projects with a maximum cost of Rs. 25 lakh.REGP has been discontinued from 2008-09 and a new scheme called Prime Minister's Employment Generation Programme (PMEGP) has been launched recently.

(c) REGP was a Central Sector scheme and the approved grants for the scheme were released to the KVIC which,in turn, released the funds (towards margin money assistance) to the banks against the projects sanctioned in each State/Union Territory (UT).The State/UT−wise details of margin money assistance provided for the agro and food processing industry group of the village industries under the REGP which also comprise vegetable and herbal products based industries,during 2005-06, 2006-07 and 2007-08 are given at Annex. I.Since REGP has been discontinued from 2008-09 and in its place PMEGP has been launched, no funds have been provided under REGP for 2008-09.

(d): The State/UT-wise details of employment estimated to have been generated under REGP, during 2005-06, 2006-06 and 2007-08 are given at Annex. II.